

ASSEMBLY BILL

No. 1971

**Introduced by Assembly Members Ackerman, Baugh,
Brewer, Campbell, and Morrow**

(Coauthors: Senators Craven, Johnson, and Lewis)

February 17, 1998

An act to amend Section 155.20 of the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

AB 1971, as introduced, Ackerman. Property taxation: exemption: low value.

Existing provisions of the California Constitution authorize the Legislature, with the approval of $\frac{2}{3}$ of the membership of each legislative house, to allow a county board of supervisors to exempt from property taxation those properties having a full value too low to justify the costs of assessment and collection.

Existing property tax law implementing this authority limits any exemption granted under the constitutional provisions by a county board of supervisors to property with a value not exceeding \$5,000 or, for a possessory interest for a limited-term use of certain publicly owned facilities, a value not exceeding \$50,000.

This bill would increase the limit for this exemption from \$50,000 to \$100,000.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 155.20 of the Revenue and
2 Taxation Code is amended to read:
3 155.20. (a) ~~€~~ Subject to the limitations listed in
4 subsections (b), (c), (d), and (e), a county board of
5 supervisors may exempt from property tax all real
6 property with a base year value (as determined pursuant
7 to Chapter 1 (commencing with Section 50) of Part 0.5),
8 and personal property with a full value so low that, if not
9 exempt, the total taxes, special assessments, and
10 applicable subventions on the property would amount to
11 less than the cost of assessing and collecting them.
12 (b) (1) The board of supervisors shall have no
13 authority to exempt property with a total base year value
14 or full value of more than five thousand dollars (\$5,000),
15 except that this limitation is increased to ~~forty one~~
16 *hundred* thousand dollars ~~(\$50,000)~~ (\$100,000) in the case
17 of a possessory interest, for a temporary and transitory
18 use, in a publicly owned fairground, fairground facility,
19 convention facility, or cultural facility. For purposes of
20 this paragraph, “publicly owned convention or cultural
21 facility” means a publicly owned convention center, civic
22 auditorium, theater, assembly hall, museum, or other
23 civic building that is used primarily for staging any of the
24 following:
25 (A) Conventions, trade and consumer shows, or civic
26 and community events.
27 (B) Live theater, dance, or musical productions.
28 (C) Artistic, historic, technological, or educational
29 exhibits.
30 (2) In determining the level of the exemption, the
31 board of supervisors shall determine at what level of
32 exemption the costs of assessing the property and
33 collecting taxes, assessments, and subventions on the
34 property exceeds the proceeds to be collected. The board
35 of supervisors shall establish the exemption level
36 uniformly for different classes of property. In making this
37 determination, the board of supervisors may consider the
38 total taxes, special assessments, and applicable

1 subventions for the year of assessment only or for the year
2 of assessment and succeeding years where cumulative
3 revenues will not exceed the cost of assessments and
4 collections.

5 (c) This section does not apply to ~~those~~ real or personal
6 properties enumerated in Section 52.

7 (d) The exemption authorized by this section shall be
8 adopted by the board of supervisors on or before the lien
9 date for the fiscal year to which the exemption is to apply
10 and may, at the option of the board of supervisors,
11 continue in effect for succeeding fiscal years. Any revision
12 or rescission of the exemption shall be adopted by the
13 board of supervisors on or before the lien date for the
14 fiscal year to which that revision or rescission is to apply.

15 (e) Nothing in this section ~~shall authorize~~ *authorizes*
16 either of the following:

17 (1) A county board of supervisors to exempt new
18 construction, unless the new total base year value of the
19 property, including this new construction, is five
20 thousand dollars (\$5,000) or less.

21 (2) An assessor to exempt or not to enroll any property
22 of any value, unless specifically authorized by a county
23 board of supervisors, pursuant to this section.

